

Food is defined as any solid, liquid, powder or item intended by the seller primarily for human internal consumption, whether simple, compound or mixed, including foods such as condiments, spices, seasonings, vitamins, bottled water and ice. See 86 Ill. Adm. Code 130.310(b)(1). (This is a GIL).

February 2, 1999

Dear Ms. Xxxxx:

This letter is in response to your letter dated January 1, 1999. The nature of your letter and the information you have provided require that we respond with a General Information Letter, which is designed to provide general information, is not a statement of Department policy and is not binding on the Department. See 86 Ill. Adm. Code 1200.120(b) and (c), enclosed.

In your letter, you have stated and made inquiry as follows:

We were questioning the taxability status of our new product PRODUCT. Enclosed you will find a fact sheet with a detailed description of our new product and its ingredients. We would greatly appreciate if you could render a ruling in writing as to whether our product is taxable or not in your state.

Thanking you in advance for your help and should you require any further information regarding this matter, please feel free to contact me at the above mentioned phone number.

For your information, we have enclosed a copy of 86 Ill. Adm. Code 130.310, which is the regulation regarding Food, Drugs, Medicines and Medical Appliances. Items that qualify as food, medicines, or medical appliances are subject to the low rate of tax, 1% plus applicable local taxes. Items that do not qualify as food, medicines, or medical appliances are subject to the high rate of tax, 6.25% plus applicable local taxes.

As stated in Section 130.310(c)(1), "[a] medicine or drug is any pill, powder, potion, salve, or other preparation intended by the manufacturer for human use and which purports on the label to have medicinal qualities."

In addition to prescription and non-prescription medicines, drugs and various medical appliances, food that is to be consumed off the premises where it is sold (other than alcoholic beverages, softdrinks, and food that has been prepared for immediate consumption) is taxed at the lower rate of 1% plus applicable local taxes. Food is defined as any solid, liquid, powder or item intended by the seller primarily for human internal consumption, whether simple, compound or mixed, including foods such as condiments, spices, seasonings, vitamins, bottled water and ice. See, Section 130.310(b)(1).

If products such as dietary supplements or vitamins are intended by the manufacturer for human use and purport on the label to have medicinal qualities, they are generally considered to be drugs and are taxed at the low tax rate. However, since items such as dietary supplements or vitamins are generally not likely to make medicinal claims, such items would be considered to be food. See 86 Ill. Adm. Code 130.310(b)(1).

I hope this information is helpful. The Department of Revenue maintains a Web site, which can be accessed at [www.revenue.state.il.us](http://www.revenue.state.il.us). If you have further questions related to the Illinois sales tax laws, please contact the Department's Taxpayer Information Division at (217) 782-3336.

If you are not under audit and you wish to obtain a binding Private Letter Ruling regarding your factual situation, please submit all of the information set out in items 1 through 8 of the enclosed copy of Section 1200.110(b).

Very truly yours,

Melanie A. Jarvis  
Associate Counsel

MAJ:msk  
Enc.